



INDUSTRY CIRCULAR

DEPARTMENT OF
THE TREASURY

Bureau of Alcohol, Tobacco and Firearms

Washington, D.C. 20226

Number: 74- 9

Date: October 22, 1974

BREWERY METERS REQUIRED FOR MEASURING BEER

Brewers and Others Concerned:

Purpose. The purpose of this circular is to advise industry members that an ATF Ruling will be published in an early issue of the ATF Bulletin regarding the use of brewery meters in measuring beer transferred to the brewery packaging system. The ruling will read substantially as follows:

The Bureau of Alcohol, Tobacco and Firearms has reviewed its position on the use of brewery meters in measuring beer transferred to the brewery packaging system.

Under the provisions of 26 U.S.C. 5552 the Secretary or his delegate is authorized to require a brewer to install meters or other apparatus for the purpose of protecting the revenue.

As defined in 26 U.S.C. 5416 and 26 CFR 245.5 the term "package" is a bottle, can, keg, barrel, or other consumer container, and the term "packaging" means the filling of any package.

Under the requirements of 26 CFR 245.32 beer meters are to be located and installed so that all beer to be packaged will (except under emergency procedures) pass through the meters and so that the meters will be readily accessible for examination by Internal Revenue Officers.

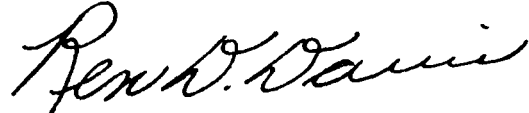
Traditionally, brewers have used separate meters to determine the quantity of beer transferred from tanks to the racker room and to the bottling premises. Recently, brewers have pointed out the feasibility of using only one meter for such transfer of beer on the basis that it would be both practical and more economical. The Bureau has recognized the problems created by strict adherence to past policies and has therefore adopted a more liberal policy with respect to the use of brewery meters.

Present law and regulations do not preclude the use of one meter in the packaging operation, nor do they point out the exact location where meters are to be installed. Accordingly, the Bureau has ruled that the Government's interest would be served by allowing a meter or meters to

be installed in the beer line either before its point of entry into the tank or tanks from which the beer is to be packaged or in the beer line leading from such tank or tanks to the packaging equipment.

Held, a brewer shall install one or more meters in such manner that all beer to be packaged will pass through a meter and that the quantity of beer introduced into the packaging system will be accurately determined. The meter or meters shall be installed in the beer line either before its point of entry into the tank or tanks from which the beer is to be packaged or in the beer line at some point between such tank or tanks and the packaging equipment.

Inquiries. Inquiries concerning this circular should refer to its number and be addressed to the Assistant Director, Regulatory Enforcement, Bureau of Alcohol, Tobacco and Firearms, 1200 Pennsylvania Avenue, N. W., Washington, D. C. 20226.



Rex D. Davis
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